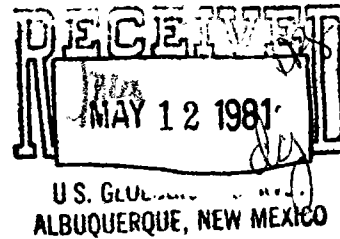


ANACONDA Copper Company

New Mexico Operations
P.O. Box 638
Grants, New Mexico 87020
505/876-2211

May 11, 1981



Mr. Edward T. Sandell, Jr.
Deputy Conservation Manager - Mining
U. S. Department of the Interior
Geological Survey
P. O. Box 69
Albuquerque, New Mexico 87103

Dear Mr. Sandell:

Thank you for your letter dated April 30, 1981, approving Anaconda's request to mine the NJ-45 underground. You stated that as a condition to such approval, "Abandonment and reclamation procedures for the NJ-45 mine will be determined in the approval of the September 11, 1980, Reclamation Plan for the Jackpile-Paguate Uranium Mine."

Anaconda accepts this condition with the understanding that such acceptance does not constitute an enlargement of USGS' authority regarding the Laguna leases and obligations for performing reclamation during the term thereof or after the cessation of mining.

Please confirm that the foregoing meets with your understanding also.

Sincerely,

R. D. Lynn
Manager

mls